Exhibit 17

Alternative Investment Management Association

AIMA'S ILLUSTRATIVE QUESTIONNAIRE FOR DUE DILIGENCE OF

FUND OF HEDGE FUNDS MANAGERS

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The Alternative Investment Management Association Limited (AIMA)

IMPORTANT NOTE

AIMA's Illustrative Questionnaire for Due Diligence of FUND OF HEDGE FUNDS MANAGERS

The purpose of this document is to serve as a guide to investors in their relations with fund of hedge funds managers. This due diligence questionnaire is an unavoidable process that investors must follow in order to choose a manager. Not all of the following questions are applicable to all managers but we recommend that you ask as many questions as possible before making a decision.

DISCLAIMER

Whilst AIMA has used all reasonable efforts to produce a questionnaire of general application in connection with a due diligence appraisal of fund of hedge funds managers, in any particular case an investor is likely to have its own individual requirements and each fund of hedge funds manager its own characteristics. As a result, prior to any individual investor sending out the questionnaire, it is strongly recommended that the questions are reviewed and, where necessary, amended to suit its own requirements and its state of knowledge of the fund of hedge funds manager's operations.

In addition, you should review with your legal counsel and other advisors the value of the responses and to what extent, if any, you may rely upon such responses. The contractual terms of an investment in any fund of hedge funds will normally be confined to the terms of the application or subscription documents, prospectus, private placement memorandum or other offering document and the constitutional documents of the fund of hedge funds. In order to obtain the best possible information on any specific fund of hedge funds manager, additional questions should be raised to clarify any point of uncertainty, and where practicable verbal examination should be undertaken. In particular, AIMA recommends that in respect of special areas of concern, such as fund performance or risk profile, independent third party data should, if possible, be obtained in order to verify these facts.

None of AIMA, its officers, employees or agents makes any representation or warranty, express or implied, as to the adequacy, completeness or correctness of the questionnaire. No liability whatsoever is accepted by AIMA, its officers, employees or agents for any loss howsoever arising from any use of this questionnaire or its contents or otherwise arising in connection therewith. For the avoidance of doubt, note that by providing this questionnaire, AIMA does not act as legal counsel in any jurisdiction.

Other AIMA questionnaires available in this series are for the selection of:

- *Hedge Fund Managers*
- *Managed Futures Managers*
- *Fund Administration (for Managers)*
- *Fund Administration(for Investors)*
- *Prime Brokers*

AIMA's Illustrative Questionnaire for Due Diligence of FUND OF HEDGE FUNDS MANAGERS

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NAVIGATING THIS DOCUMENT	Please use tab-key or point mouse to the beginning of the input field
INPUTTING DATA	The size of the fields will automatically adjust to the length of your input
UPDATING PAGE NUMBERS	As this questionnaire is completed (thus grows), page numbers on the index page will NOT be updated automatically. To update the index page (which is a table), click to the left of the table (at any point) then press F9 on your keyboard. Select the first option: to update page numbers only

1 BACKGROUND INFORMATION

1.1 CONTACT INFORMATION

1.1.1	Company name:	*Optimal Investment Services SA ("Optimal")*
1.1.2	Address:	*2-4 place des Alpes, 1201 Geneva, Switzerland*
1.1.3	Telephone:	*+41 22 909 74 74*
1.1.4	Fax:	*+41 22 909 62 22*
1.1.5	E-mail:	*ois-clients@ois-gruposantander.com*
1.1.6	Website:	*www.optimal.biz*
1.1.7	Name of contacts:	*Toby Gauvain* *Head of Global Business Development/Geneva* *Optimal Investment Services SA* *+41 22 909 74 05* *toby.gauvain@ois-gruposantander.com* *Esteban Estevez* *Deputy Chief Executive Officer/Geneva* *Optimal Investment Services SA* *+41 22 909 74 15* *esteban.estevez@ois-gruposantander.com* *Ayça Pars* *Senior Institutional Business Development Officer/Geneva* *Optimal Investment Services SA* *+41 22 909 74 24* *ayca.pars@ois-gruposantander.com* *Dara Bahadori* *Senior Institutional Business Development Officer/Geneva* *Optimal Investment Services SA* *+41 22 909 74 34* *dara.bahadori@ois-gruposantander.com* *Carlos Garcia Bello* *Senior Institutional Business Development Officer/Madrid* *Optimal Alternative Investments SGIIC S.A.* *+34 91 289 08 91* *carjgarcia@gruposantander.com* *Alberto Manchado* *Senior Institutional Business Development Officer/Madrid* *Optimal Alternative Investments SGIIC S.A.* *+34 91 289 06 87* *amanchado@gruposantander.com* *Kazuhiro Tanase* *Representative*

		Optimal Investment Services SA, Representative Office *+813 3211 0362* *kaz.tanase@ois-gruposantander.co.jp* *Ben Whitfield* *Senior Institutional Business Development Officer/London* *Banco Santander S.A., London Branch* *+44 207 332 69 16* *ben.whitfield@ois-gruposantander.com* *Camilla Crowe* *Senior Institutional Business Development Officer/London* *Banco Santander S.A., London Branch* *+44 207 332 69 16* *camilla.crowe@ois-gruposantander.com* *Haijme Takahashi* *Consultant* *Optimal Investment Services (Asia) Pte Ltd* *+65 (68) 23 13 88* *taka@ois-gruposantander.sg*
1.1.8	Title of contacts:	*Please see above*
1.1.9	Telephone of contacts:	*Please see above*
1.1.10	E-mail of contacts:	*Please see above*
1.2	**COMPANY**	
1.2.1	Please give a brief history of the company and, if applicable, group structure:	*In 1989, Manuel Echeverría began investing for clients of Banco Santander in the alternative asset class. This activity was developed in order to address the growing demand stemming from clients of its International Private Banking division. Providing hedge fund solutions to the Bank's clients was additionally viewed as a compelling way to enhance the diversification benefits of their traditional portfolios and also helped enhance risk adjusted metrics.* *Between 1990 and 2002, we were co-invested with Notz Stucki & Cie, a well-known Swiss based investment group with a primary focus on hedge funds.* *In 1995 we established a presence in New York to perform analysis and due diligence on managers and to complement the already existing effort of the Geneva analysts team. In August 1995, we launched our first Optimal Multi-advisors fund in Bahamas, Optimal Arbitrage and later in 1995 Optimal Global Trading. In 1997, Optimal Strategic US Equity was launched, and in 1998, Optimal European Opportunities.* *OIS has one of the longest track records in the industry, which extends over a period of 15 years. Thanks to our expertise we have manoeuvred efficiently through periods of crisis such as 1990 (Iraq's invasion of Kuwait), 1994 (Tequila crisis), 1998 (Russia and LTCM), and 2000 (Nasdaq bubble). We feel this experience distinguishes us from the numerous organizations entering the alternative multimanagers fund business and we have learnt substantially from these periods of "market dislocations".* *In June 2001 Optimal Investment Services S.A. was created by a spin-off of the hedge fund unit of the International Private Bank of Banco Santander with the objective of delivering products to meet the growing demand for alternative investment products. The creation of an independent structure with its own unique brand has been undertaken in order to get access and serve more efficiently our client base, which encompasses institutional clients, pension funds, family offices, independent asset managers as well as High Net Worth Individuals.*

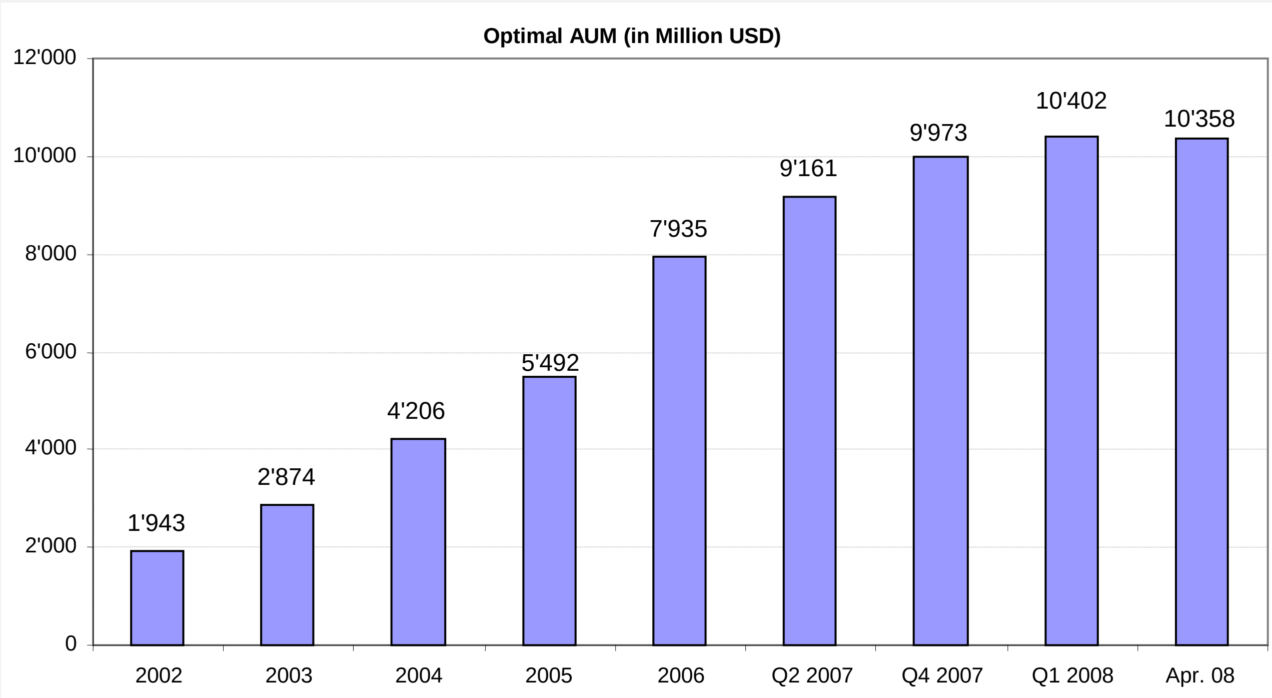
		The objective is to generate positive absolute returns with a strong goal of preservation of capital.
1.2.2	What type of legal entity is your company?	*"Société Anonyme", a Swiss Corporation*
1.2.3	Provide a chart of the legal structure of the company and list all branch or affiliate offices:	*See attached document "Ownership Chart"*
1.2.4	Provide details of the company's current ownership structure:	*Optimal Investment Services SA is 100% owned by Santander AM Holding, S.L., a Spanish corporation member of the Santander Group.*
1.2.5	Detail any changes in the last 3 years:	*There have been no changes in the ownership of the company since the last three years.*
1.2.6	Are there any plans for further ownership changes?	*There are no changes planned.*
1.2.7	Provide a short history of the company with the most important milestones:	*Please refer to the above comments in section 1.2.1*
1.3	**CORPORATE GOVERNANCE**	
1.3.1	Who are the Directors? Please provide details of relationship to the firm.	*Manuel Echeverría Falla, CEO* *Paul Saurel, Vice-Chairman* *Joan David Grima Terre, Chairman*
1.3.2	Are there Independent Directors? Please provide details.	*Yes, Paul Saurel.*
1.3.3	How often does the Board meet?	*On a quarterly basis.*
1.4	**STAFF INFORMATION**	
1.4.1	Number of permanent staff:	*73 employees as of April 30th, 2008*
1.4.2	Number of investment professionals:	*21 employees as of April 30th, 2008*
1.4.3	State the number of employees in your company as at year end for the last 5 years:	*End 2007: 72 employees* *End 2006: 51 employees* *End 2005: 36 employees* *End 2004: 26 employees* *End 2003: 24 employees* *End 2002: 20 employees* *End 2001: 15 employees*
1.4.4	Provide an organisation chart including the different departments and the number of permanent employees for each:	*Please refer to the attached document Optimal Organizational Chart.*
1.4.5	Explain any significant employee turnover including listing joiners/leavers of key staff over last (two) years:	*There is no significant employee turnover to be notified. Our Head of Research left the company in January 2005 to create his own business. One member of the marketing team left in early 2006 to dedicate himself to family business. In 2007, the Chief Risk Officer left to join another company. We have hired 15 persons in 2006 and 21 in 2007.*
1.4.6	How does the company attract new people?	*By using executive search firms, manager recommendations, client recommendations, other competitors' recommendations, business schools, university recruitment, industry contacts.*
1.4.7	Explain the compensation scheme for key people (particularly the bonus structure and the manager's share of the performance	*A long term incentive plan is in place for senior management that includes a deferral pool that gets invested into one of our funds, Optimal Multistrategy Ireland Fund.*

	fee):	
1.4.8	Provide a brief background of key personnel (education, professional background):	***Please find below the biography of the members of the Management Committee:*** ***Manuel Echeverría - Chief Executive Officer & Chief Investment Officer*** *Mr. Echeverría is responsible for the management of Optimal Investment Services, which encompasses the supervision of the sales, analysts, operations, and legal teams. As part of his responsibilities, he is also a Director of the Optimal Multiadvisors funds, both in Bahamas and Ireland and of the Optimal Elite Multi-Manager Fund Ltd. For the past 10 years he has held co-management responsibility of Columbus Holdings Limited (co-managed fund with Notz Stucki & Cie), member of the New Manager Committee of Haussmann Holdings for 5 years, responsible for creating and managing the Optimal fund of funds. Previously he was Executive Vice President of Banco Santander S.A. and served as manager of the Portfolio Management and Fund Management Group for the International Private Banking Division of the Santander Central Hispano Group from 1989 to July 2001. During these twelve years, he built the Group's expertise in the major alternative investment styles: Relative Value / Arbitrage, Equity long / short, Global Trading and several other sub-strategies. He also helped establishing a US and European presence for the Group. Between June 1987 and May 1989, Mr. Echeverría was an investment manager and trader of the Securities and Foreign Exchange Group of JP Morgan (Suisse) S.A. Prior to this, he was an Associate at Morgan Guaranty Trust Company in New York. Mr. Echeverría holds a Master of Management from the J.L. Kellogg Graduate School of Management and a Bachelor of Science in Management from Babson College.* ***Caron Bastianpillai – Lead Portfolio Director*** *Mr. Bastianpillai is responsible for the development and management of all our equity multimanager funds. He is in charge of the research and analysis team for equity hedge style strategies which performs due diligence on external managers specialising in equities across all geographic regions. He has been involved in hedge fund research and analysis since 1994 and was also involved in the development of database tools for analyzing hedge funds. Prior to joining Optimal Investment Services, he spent four years at Thomson Financial Services in global equity research.* *Mr. Bastianpillai holds a Master of Business Administration in International Management, Magna Cum Laude (European University Geneva, Switzerland) and a Bachelor of Business Administration in Marketing, Cum Laude (University of Houston).* ***Hugh Burnaby-Atkins – Lead Portfolio Director*** *Mr. Burnaby-Atkins is based in New York where he heads up Optimal's North American research team. He is responsible for research, due diligence, fund monitoring and selection for Relative Value and Macro trading strategies. He is portfolio manager for the Optimal Elite Multimanager, Optimal Arbitrage and Optimal Global Trading funds. He has been involved in hedge fund analysis since 1998. Prior to joining Optimal in May 2003, Mr Burnaby-Atkins worked for Pavilion Capital in London, as a Portfolio Manager. From 1998 to 2002 he worked at Bank of Bermuda where he was Director of Alternative Investment Research. He was instrumental in establishing the bank's alternative investment program and represented the bank as a founder member of the Centre for Hedge Fund Research and Education at London Business School. Mr. Burnaby-Atkins holds a Bachelor of Commerce degree from Edinburgh University with concentrations in finance and economics. He holds the Chartered Financial Analyst (CFA) and Financial Risk Manager (FRM) designations and the UK FSA's SFA and IMC qualifications.* ***Balkir Zihnali – Senior Portfolio Advisor, Head of Managed and Advisory Portfolio Services Department*** *Mr. Zihnali is based in New York. He is the Head of the Managed & Advisory*

		Portfolio Services department (MAPS) at Optimal. He is responsible for the construction, management and monitoring of advisory and discretionary accounts such as private labels and tailor-made solutions for selected institutional investors. Previously, he was responsible for research, due diligence, fund monitoring and selection of US-based managers focusing on Equity strategies. He was co-portfolio manager for the Optimal US Opportunities, Optimal Global Opportunities, Optimal Structural Opportunities and Optimal Latin America funds. He has been involved in hedge funds and hedge fund analysis since 1997. From June 1997 to May 2005, Mr. Zihnali worked for Archery Capital as Director of Portfolio Management responsible for overseeing the investment process, and for co-managing the firm's equity long/short portfolio. Mr. Zihnali started in the investment side of the hedge fund operations and he was intimately involved with trading, risk-reporting and back-office operations. Prior to joining Archery Capital, Mr. Zihnali was employed by Coopers & Lybrand as a senior associate of the Corporate Finance and Audit divisions. Mr. Zihnali participated and led due diligence reviews and valuation of companies in cross-border merger and acquisition transactions. Mr. Zihnali holds a Master of Business Administration with concentration in Finance from the New York University Stern School of Business and an undergraduate degree in Business Administration from Bosphorous University, Istanbul. Mr. Zihnali holds the Chartered Financial Analyst (CFA) designation and is a member of New York Society of Securities Analysts. ***Louay Mikdashi* - Senior Portfolio Advisor – Deputy Head of Managed and Advisory Portfolio Services Department** *Mr. Mikdashi heads the Managed Accounts & Portfolio Services department (MAPS) at Optimal. He is responsible for the construction, management and monitoring of advisory and discretionary accounts such as private labels and tailor-made solutions for selected institutional investors. He joined Optimal in New York in May of 2004 and was transferred subsequently to the Geneva offices. Mr. Mikdashi worked for six years in the traditional asset management and the private banking field at Citibank and ABN AMRO. He completed an MBA with honours at Babson College and was a Babson Fellow. He additionally holds a Master of Science in Finance at Boston College in Quantitative* *Finance and was a Dean Fellow. Mr. Mikdashi graduated from HEC Lausanne with a degree in Economics and a concentration in Applied Macro and Microeconomics.* ***Gilles Prince* – Chief Risk Officer** *Mr. Prince is heading the team of quantitative analysts. He is responsible for the development of Optimal's quantitative analysis effort. He performs quantitative analysis on Optimal's investment products and underlying hedge funds. Before joining Optimal in October 2007, Mr. Prince was responsible of hedge fund advisory services at bank Lombard Odier Darier Hentsch & Cie, where in particular he set up the risk management organisation for alternative investments. Before that, he acquired extensive knowledge in hedge fund product structuring and risk management by working as a senior financial engineer at RMF, and consultant for PricewaterhouseCoopers' financial risk management unit.* *Mr. Prince started his carrier at UBS in 1996 in the structured products unit after graduating at the University of HEC Lausannne with a Master degree (MBF) in Financial Mathematics. He also earned the right to use the Chartered Alternative Investment Analyst (CAIA) and Financial Risk Manager (GARP) designations.* ***Tasneem Jeevanjee* – Chief Operating Officer** *Ms. Jeevanjee is the Chief Operating Officer of the Optimal Group.* *She has worked for the Santander group for the past 13 years, specialising in fund administration and operations.* *Ms. Jeevanjee holds a Master degree in Marketing/Finance/Economics/Human Resources and a Bachelor degree in Spanish/Latin American studies.*

		Jaime Calvo** – **General Counsel and Compliance Officer *Mr. Calvo is our in-house General Counsel and is the Compliance Officer of Optimal Investment Services SA.* *Mr. Calvo has been with the Santander Group for the last seven years; his previous position within the bank was Vice President Legal and Compliance at the New York Office. Mr. Calvo started his legal career as Lawyer at Freshfields, Bruckhaus Deringer in Madrid.* *Mr. Calvo holds a J.D. Degree in Law from the Universidad Autónoma of Madrid, and a LL .M. Degree in e-Law and Telecom Law from Instituto de Empresa Business School in Madrid. Mr. Calvo has also graduated from the Financial Management Programme at Instituto de Empresa Business School in Madrid and from the Program of Instruction for Lawyers at Harvard Law School in Boston.* ***Toby Gauvain** – **Global Distribution*** *Mr. Gauvain joined Optimal in March 2006 and sits on the Management Committee. He is responsible for global business development for Optimal's offices in Geneva, London, New York, Tokyo and Singapore. He joined Newton Investment Management in London in 1993 and has extensive sales and strategic management experience having created and led Newton's international business with institutional clients throughout Europe, Latin America and the Middle East. In 2000 he moved to Mellon Global Investments to head up offshore sales and distribution for the Americas based in New York. In 2002 he left the financial sector to finance and establish a travel business in serving the corporate and UHNW sector in Spain and Latin America and served as its CEO before returning to the financial sector early 2006. Mr. Gauvain read Modern Languages in Bristol, UK.* ***Esteban Estevez** – **Deputy Chief Executive Office; Head of Santander Group Business Development*** *Mr. Estevez is based in Geneva and is responsible for the following areas within Optimal: sales and marketing, legal and compliance, financial control, and the Asset Management Company based in Spain, Optimal Alternative Investment, where he is a member of the Board of Directors. Mr. Estevez has been working in Santander Group for the past 13 years with different management responsibilities. First, he was Senior Private Banker for UHNWI in Santander Investment in Madrid and later he was appointed Head of Marketing for International Private Banking. Prior to Santander, Mr. Estevez worked three years as a lawyer for Garrigues Andersen in the tax Division and as consultant for Accenture, Strategic Division. Mr. Estevez holds a Bachelor Degree in Business Administration and a bachelor degree in Law (E3) from University of Comillas - ICADE - Madrid. He also holds a Banking Programme Degree from INSEAD School of Management and a Executive Management Program from IESE Business School, (PDD).* ***Mario Diaz** – **Director of Optimal Alternative Investments*** *Mr. Diaz joined Optimal in July 2006 and was appointed Director of Optimal Alternative Investments. Mr. Diaz brings a wealth of expertise to Optimal with over eleven years of experience in the financial sector. In 2004 and 2005 he was the Portfolio Manager for Banco Santander's CTA offering (systematic trend followers adapted to the requirements of the Spanish regulator). Prior to that, he was a director at the Treasury Department of BBVA Finanzia/Uno-e with responsibilities of setting up and implementing investment models and trading across asset classes. Mr. Diaz also acted as a market maker in treasury bonds, and has extensive experience as an options and derivatives trader throughout his career. He graduated from the Universidad Complutense with a degree in Business Administration and holds a Master in Finance from the C.U.N.E.F. and a IESE P.D.D.*
1.4.9	Please discuss possible retirement of key individuals with succession plans:	*NA.*

1.5	**ASSET MANAGEMENT ACTIVITIES**	
1.5.1	Total AUM in the FoHF (unleveraged)	*USD 10'358'163'141 as of April 30th 2008*
1.5.2	Total AUM in the FoHF (leveraged)	*See chart below*
1.5.3	Show the growth of assets under management over the last 5 years:	*See chart below*



Source: OIS Financial Control

1.5.4	Does the company conduct any business other than asset management? If so, please state the nature of those businesses:	*No other business conducted. The company is a specialist asset management company within Santander Group.*
1.5.5	Apart from FoHF, does the company manage other products? If yes, provide the breakdown of assets (USD/%) for each product family (traditional, FoHF, HF, etc.):	*The company primary focus is the management of multimanager fund.* *As of April 30th, 6.1% of our assets under management comprised discretionary and managed account mandates. Tailor made solutions are provided for large mandates with specific requirements.* *Of the 15 multimanager funds, 2 are long only absolute return funds and 3 are single manager funds. The investment objective of the two long only absolute return funds is to achieve above average capital appreciation by concentrating on absolute vs. relative returns.* *As of April 30th, 2008* *Single manager fund (in USD):* *Optimal Strategic US Equity: 2'921'500'897* *Optimal Renaissance Institutional Equities Feeder Fund: 114'653'282* *Optimal Renaissance Institutional Futures Feeder : 32'080'409* *Long only funds (in USD):* *Optimal Europe: 25'065'078*

		Optimal North America: 19'640'641 *Managed Accounts (in USD): 635'387'181*
1.5.6	Does the company manage any direct hedge funds? If so, please describe. Does your FoHF invest in them?	*No*
1.5.7	Does the company sponsor or have any ownership interest in hedge fund managers who are not employees of the company? If so, does the FoHF invest in these managers?	*No*
1.5.8	Which investor group does the company primarily target?	*Private banking clients of Santander Group* *Banks* *Asset Management Companies* *Family Office* *Governmental Institutions* *Pension Funds* *Fund of Funds* *Structured Products* *Private Clients*
1.5.9	Provide a breakdown of assets under management by: • Strategy: • Country: • Client group:	***Breakdown by strategy as of April 30th:*** *Relative value: 14.3%* *Equity long/short: 26.5%* *Global macro: 6.9%* *Equity non-hedge: 0.5 %* *Multistrategy: 21.8%* *Equity Option Arbitrage: 30 %* ***Breakdown by client group as of April 30th:*** *Private clients of Santander Group: 76.6%* *External (institutional) clients: 17.3%* *Managed Accounts: 6.1%* ***Geographic breakdown clients as of April 30th (excludes managed accounts)*** *Iberia/Latin America: 83.4%* *Middle East: 10%* *Europe: 6.5%* *Japan: 0.03%* *USA: 0.05%*
1.5.10	What is the percentage of assets under management represented by your largest client, and by your 5 largest clients? Provide a list of the 5 main clients (incl. size of assets, duration of client relationship):	*76.6% of our total assets come from private clients of the Santander Group.* *We do not disclose our client list and we would only disclose client information where the client had specifically authorised us to make such disclosure.*

2 INVESTMENT PHILOSOPHY

2.1	Describe your investment philosophy:	*Our investment philosophy is to find outstanding investment talent and skill and create a diversified portfolio account. The investment objective is to generate positive absolute returns with a strong goal of preservation of capital. This will be achieved through diversification, strict risk control rules and combination of*

		manager styles. In building a portfolio of managers we also aim to reduce correlation between the managers, trying to maximise the sharpe ratio. *The fund selection follows an ongoing dynamic process led by the research team, which uses both top-down and bottom-up approaches.*
2.2	Is leverage applied to the FoHF? If so, please provide details:	*One of our products, Optimal Elite Multimanager, has a leveraged share class (with specific segregation of assets), which shall target a leverage ratio of 50% loan to asset or 2X* in USD to investors pursuant to a credit facility with an affiliate of Société Générale.*
3	**INVESTMENT PROCESS**	
3.1	Describe your investment approach:	*We define a universe of funds by using a top-down approach (to determine a relevant sub-universe), a bottom-up approach (to select the appropriate fund for a given portfolio) and balancing this with the client's needs and available sourcing ideas.* *We determine the sub-universe by using quantitative and qualitative analysis which covers data analysis, background checks and strategy evaluation.* *From the sub-universe we draw up a short list data from quantitative analysis (returns analysis, volatility analysis, drawdown analysis, benchmark analysis, asset evolution), qualitative analysis (manager experience, investment style analysis, evaluation of investment strategy, consistency in management style, business terms and structure) and analyst reports on the funds.* *A selection of funds is then proposed to our investment committee and investment decisions are made by the investment committee.*
4	**STRATEGY AND STYLE ALLOCATION**	
4.1	Describe your asset/style allocation process:	*The asset allocation process is determined and reviewed regularly by the Investment Committee. It is based on a thorough top down macro assessment of each individual strategy and sub-strategy in light of their view of market conditions and investment opportunities. Furthermore, all tactical asset allocation decisions are based on the investment objectives of each fund or managed accounts. Our dynamic investment process is built at its core around risk management, portfolio construction and bottom-up fundamental evaluation of inherent qualities of underlying mangers.* *Investments are allocated according to agreed client objectives or in-line with the stated objectives of the relevant fund. Discretionary asset allocation by the investment committee takes into account views on global markets and economic conditions.*
4.2	Which strategies do you invest in?	***Directional Trading*** *Macro discretionary* *Macro diversified* *Systematic non trend* *Systematic trend following* *FX trading* ***Relative value*** *Convertible arbitrage* *Event driven (merger arbitrage, special situations)* *Distressed debt/High yield* *Credit* *ABS (mortgage, CDO)* *Fixed income arbitrage* *Equity arbitrage* *Capital structure arbitrage* *Relative value plus* *Multistrategy* *PIPES* ***Equity*** *Long short*

		Market neutral *Statistical arbitrage* *Long only absolute return* *Long only* *Long biased* *Short only* *Short biased* ***Investment style*** *GARP* *Growth* *Blend* *Value* *Trading* *Value event driven* ***Market cap focus*** *Small cap* *Small cap and mid cap* *Mid and large cap* *Large cap* *All cap* ***Private equity***
4.3	Which strategies do you avoid? (And why?)	*We do not entirely exclude any strategy. However, variables such as leverage, liquidity and uncertain valuations are examples of areas where we proceed with caution. For instance, we may have managers operating in fixed income basis trading or structured credit, but as these imply the use of leverage, we would closely monitor these managers and size them accordingly in the different portfolios.*
4.4	What is the company's competitive edge in the strategy and style allocation process?	*Optimal's strength is an experienced and stable team of professionals with strong and established knowledge, the capacity to innovate, a vast network of resources and the ability to attract top talent to support our growth combined with our longstanding track record which distinguishes us from many of our competitors. We have experience of different market cycles and successfully avoided major crises.* *We have the resources, processes and experience to conduct thorough due diligence on target funds.* *Our portfolios can include 20 to 45 managers. Core positions will typically be 7-8% of a fund. The top 10 positions in a portfolio will typically account for 50% or more of the total assets.*
4.5	On what basis and when does the company define and change the asset allocation of the portfolios?	*Changes in the asset allocation of the portfolios and funds occur upon the decision of the Investment Committee and upon its assessment of the evolution of risk / reward opportunities of each strategy. Changes in the asset allocation will usually be the result of a changing market environment, in which certain strategies will be less effective due to a lack of opportunities, liquidity, volatility or other factors. The review is formally conducted on a monthly basis in the Investment Committee. Portfolios are however regularly examined, discussed and reviewed between all the relevant members of the Analyst team in New York and in Geneva.*
4.6	Do investment guidelines/limits exist for all products? If so, please provide sample:	*The offering memorandum for each Optimal fund sets out an investment policy.*
4.7	Can the guidelines be altered? If so, how?	*Any alteration of guidelines has to go through shareholders' approval.*
4.8	For non-standard products, to	*This varies depending on whether the mandate provided to Optimal is fully*

	what extent can the investor be involved in the asset allocation process?	*discretionary or advisory. In any event, Optimal is committed to keeping its investors informed of developments through the provision of regular reports to its clients.*

5 DUE DILIGENCE / MANAGER SELECTION

5.1.1	Summarise your manager selection process:	*The typical criteria a manager should meet to qualify for selection is:* • *Proven experience in the investment field* • *Risk controls* • *Alignment of manager's and investors' interest (managers that are invested in their own funds)* • *Performance potential* • *Risk / reward profile* • *Reputation*
5.1.2	Please describe, in detail, the company's due diligence process including the investment, legal and compliance, and operational due diligence procedures. Provide examples of reports and working papers, where available:	*The due diligence process is split into investment and non-investment processes.* *Investment processes include:* • *Screening as dictated by a mandate or strategy both new and existing managers. We maintain an internal proprietary database, which includes both existing and targeted potential investments.* • *Once a sub-universe has been identified, we screen for managers based on their records or risk controls and performance in their respective strategies. The sub-universe is monitored on an on-going basis for manager selection purposes.* • *Monthly analysts meetings and the Investment Committee are used to focus on strategies and managers. Once managers are short listed, further due diligence ensues and may include: performance analysis, review by the Optimal Risk Team (which may include input from our in-house legal counsel).* • *Due diligence is performed on both middle and back office operations.* *Non-investment processes include:* • *Background checks* • *Review of business structures and terms* • *Evaluation of the managers' business plans and operational infrastructure*
5.1.3	Please list the fund documentation that you review:	*We review where possible the funds prospectus and constitutional documents and contracts that the fund has with service providers (primarily the administrator and the Investment Manager)*
5.1.4	What level of transparency do you require from the managers/funds in the portfolio?	*This varies from Manager to Manager and depends to some extent on the strategy and the willingness of the manager to provide risk and other information on the portfolio.*
5.1.5	Where does your due diligence process differ from that of others in the marketplace?	o *We have a proven track record with a stable investment management team* o *We have a defined investment and risk control process that can be replicated for any review done on a manager* o *We have the resources, market intelligence and procedures and controls of a world class financial institution / recognised bank which is in the global top 10*
5.1.6	How many managers/funds are you currently invested with? If there is a separate approved list, how many funds are on the approved list?	*Optimal funds are invested in 224 managers as of April 30th, 2008 (including managed accounts).*
5.1.7	How many new	*Approximately, we see over 2'000 managers a year and follow-up with a further*

	managers/funds do you analyse per year?	*600 managers.*
5.1.8	How many managers/funds are approved per year?	*Historically between 20 to 35 new managers have been added each year. This will vary from time to time.*
5.1.9	What is the average time scale of the manager selection process?	*The length of time depends on the amount of time the analysts require to understand the investment process and structures. It would not be unusual for the process to take at least 2 months.*
5.1.10	Do you conduct on-site visits with the managers?	*Yes*
5.1.11	Are all visits written up in structured reports?	*Manager visits are reflected in a manager log and if appropriate in manager reports.*
5.1.12	How many visits to a manager will you make prior to making an investment?	*We will meet at their offices at least once.*
5.1.13	How much time is spent with each manager during the due diligence process: • Before initial investment? • After initial investment?	*In relation to the initial Due Diligence process, please see above. In relation to the post investment Due Diligence that is conducted, this is done regularly on the underlying managers.*
5.2	**OPERATIONAL DUE DILIGENCE (ODD)**	
5.2.1	Do you have a dedicated operational due diligence team?	*Yes. Optimal is committed to building a dedicated independent operational risk management team which will deal with operational risk and due diligence. It is one of a handful of asset managers in the alternative asset space with dedicated resource in this area.*

5.2.2	What is the size and qualifications of the team? Provide a sample ODD checklist if used.	*The Operational Risk Management team consists of 4 people, of which the 2 senior persons are:* ***<u>Gilles Prince</u> – Chief Risk Officer*** *Mr. Prince is heading the team of quantitative analysts. He is responsible for the development of Optimal's quantitative analysis effort. He performs quantitative analysis on Optimal's investment products and underlying hedge funds. Before joining Optimal in October 2007, Mr. Prince was responsible of hedge fund advisory services at bank Lombard Odier Darier Hentsch & Cie, where in particular he set up the risk management organisation for alternative investments. Before that, he acquired extensive knowledge in hedge fund product structuring and risk management by working as a senior financial engineer at RMF, and consultant for PricewaterhouseCoopers' financial risk management unit.* *Mr. Prince started his carrier at UBS in 1996 in the structured products unit after graduating at the University of HEC Lausannne with a Master degree (MBF) in Financial Mathematics. He also earned the right to use the Chartered Alternative Investment Analyst (CAIA) and Financial Risk Manager (GARP) designations.* ***<u>Michelle Perry</u> – Operational Risk Analyst*** *Ms. Perry is an Operational Risk Analyst and works with the Operational Risk Management team within Optimal to perform non-investment due diligence on Optimal's funds and their respective investment managers. Ms. Perry joined the team in January 2007 after five year with Deloitte where she worked in their Financial Services Audit and Transaction Services divisions in the Cape Town, Sydney, New York and London offices. Ms. Perry qualified as a chartered accountant in 2004 in South Africa, and has a Bachelor of Business Science with a second division Honours in both Finance and Accounting from the University of Cape Town.* ***<u>Kearstin Meadows</u> – Operational Risk Lawyer*** *Ms. Meadows is a dual qualified lawyer in the US (California) and UK and joined Optimal in 2007. Her experience includes international securities, corporate law and litigation. She was most recently within a specialist Corporate Securities group of Linklaters in London. Mrs. Meadows began her law career in California focusing on securities and business litigation before moving to London in 2003 where her experience included mergers and acquisitions and advising corporations entering emerging markets. Other relevant experiences include working as a graduate analyst with Dean Witter Reynolds and as a ski instructor in Lake Tahoe, California. Kearstin holds a Bachelor of Fine Arts (1993), a Bachelor of Arts in Public Administration from San Diego State University (1998), and a Juris Doctorate in Law from California Western School of Law (2001) where she was a member of the Honours Society.* ***<u>Jocelyn Bean</u> – Operational Risk Analyst*** *Jocelyn Bean joined Optimal in March 2007 as Operational Risk Analyst. Jocelyn is a member of Optimal's dedicated Operational Due Diligence Team and is responsible for performing non-investment due diligence on current and new hedge fund investments. As such, her responsibilities include conducting onsite visits to appraise the business execution (operations, trading, systems and support agencies) of Optimal's hedge fund managers and reviewing their funds' financial and legal documentation. Jocelyn graduated from the University of Edinburgh in 2006 with a BSc (Hons) in Psychology and is currently studying for the Investment Management Certificate.* ***<u>Alicia Garrido</u> – Operational Risk Analyst*** *Ms. Garrido joined Optimal in February 2008 as a Research Analyst based in Madrid with responsibilities in Operational Due Diligence work in Spain. She brings a 6 years of experience in the Global Operations Area team of Santander Asset Management where she was involved in the following areas and functions: Discretionary Portfolios, monitoring the portfolio set up process and control of the daily transactions; Supervision, with responsibilities with the "Special entities" out of the standard procedures and Off Shore/ Client relationship, with responsibilities in the SLA Agreements, clients support and new project development where she was involved in the operational design and set-up process of the Hedge Funds in Spain. Ms. Garrido is graduated from the Universidad Complutense with a degree in Business Administration specialized in financial side.*

5.2.3	Do you perform reference checks on the manager? If so, how are these done?	*Yes. Reference checks are performed through contact with ex-colleagues and superiors, related people in the industry, such as other hedge funds, or service providers as prime brokers. Where we cannot gather enough information on the manager, we use specialised companies such as Back Track.*
5.2.4	Do you perform ODD on the middle and back office operations? If so, please describe:	*Yes.*
5.2.5	Explain both the ODD prior to investment and the ongoing ODD after investment (if any). Are all visits written up in structured reports?	*Prior to investment, control reviews of the managers operations are performed. On an ongoing basis, manager visits are performed. The frequency of the visits is based on an assessment of the risks presented by the Managers operations. Reports are prepared on these visits.*
5.2.6	Do you perform due diligence checks on the administrator or any other service provider to the targeted funds? If so, please describe:	*Yes, we have a programme of reviews for service providers to targeted funds such as the funds administrators, lawyers and auditors.*
5.2.7	Do you contact the outside audit company prior to approval?	*An attempt to make contact with the auditors to the fund will always be made.*
5.3	**CAPACITY**	
5.3.1	How many managers are currently on your approved list?	*Optimal funds are invested in 224 managers as of April 30th, 2008 (including managed accounts).*
5.3.2	How much capacity is available from managers on the approved list / you are invested with? Please provide breakdown by strategy:	*Capacity is negotiated on an on-going basis and Optimal has good relationships with the funds it invests with and we believe that top tier hedge fund managers regard Optimal as a preferred model investor.*
5.3.3	How does the company secure and expand capacity with underlying hedge fund managers?	*We maintain a good relationship with managers often based on our status as initial day one investor in many of the top tier hedge funds.*
6	**PORTFOLIO CONSTRUCTION**	
6.1	Describe the portfolio construction.	*Diversification benefits are thoroughly studied and when a manager is selected, we try and ensure that the correlation level with existing holdings is low or negative. For example, a plain vanilla long-short manager may add little value to the portfolio, even if the track record is good. Yet, a manager with higher volatility may have a place in our multimanagers fund (within prudent constraints) if the manager's results exhibit low correlation to other managers. We also look for managers with an edge, i.e. specialist knowledge of a sector or special techniques. We focus on low downside deviation. We seek first-rate investment teams which have synergy between analysts and traders. We seek evidence of risk management skills. We seek that managers take financial stakes (co-investment) in the funds to ensure alignment of their interests with those of investors.*
6.2	Is there an investment committee that approves portfolio allocations? If applicable, please describe its set up and authority:	*Yes, there is an investment committee.* *The committee is composed of 4 permanent investment members: Caron Bastianpillai, Hugh Burnaby-Atkins, Manuel Echeverría, and Michelle Perry.* *The committee is held every month, usually at the end of the month. The analysts, after completing the due diligence process, form part of the committee with respect to their proposals.* *The 4 permanent members have decision making power, in the case of diverging opinions; Manuel Echeverría has the final authority. Being a permanent member, the Operational Risk Analyst participates in these meetings.*

6.3	How often are portfolios rebalanced?	*At least once a month during the Investment Committee.*
6.4	State the average turnover of managers within the portfolios:	*The range of number of managers held in each portfolio is between 20 and 45. The average turnover rate in terms of names held in the portfolio is approximately 15-20%.*
6.5	Does the turnover of managers in different portfolios vary substantially?	*Even if our main philosophy is to build a long-term relation with our managers the turnover may vary depending on the strategy and on the capital flows of each fund.*
6.6	What are the main reasons for the exclusion of particular managers from a portfolio?	*Reducing or removing a manager will occur when:* • *There is evidence of deterioration in the investment processes of the manager or change in the investment objectives* • *There is evidence of deteriorating risk controls* • *There are key personnel changes* • *There are changes in the investment managers business model* • *There are changes on the view on asset allocation* • *Performance does not meet Optimal's tolerance range criteria*

7 RESEARCH

7.1	In which areas does the company use external research and which sources do you employ?	*External research is used in all areas related to investment. There are various sources used: brokers, industry commentaries, dedicated papers.*
7.2	Does the company publish regularly in the press or commission any research / academic papers? Provide samples:	*Yes, we report performance on a monthly basis to Altvest, Hedgefund.net, Investhedge, Bloomberg, Lipper, Morningstar and Reuters. The monthly NAV of the Optimal Asian Opportunities (Ireland) Fund; Optimal European Opportunities (Ireland) Fund, Optimal US Opportunities (Ireland) Fund, Optimal Global Opportunities (Ireland) Fund, Optimal Latin America (Ireland) Fund and Optimal Global Trading (Ireland) Fund are published on a daily basis in two Swiss newspapers (pursuant to the Swiss Federal Act on Investment Funds).*

8 RISK MANAGEMENT

8.1	Describe your risk management philosophy:	*Risk management is an integral part of Optimal's business and investment philosophy. Having recognised early on that risk management is a central aspect of fund selection, Optimal Investment Services has organised itself around this concept. Risk management is performed alongside each step of our investment process, from fund screen to performance reporting. As a natural consequence of this, Optimal Investment Services has set up adequate control functions within each team dealing with hedge funds and funds of hedge funds. A Risk Committee including senior professionals representing different areas of the company has the duty to have risks identified, measured, controlled and managed.*

8.2	Describe how risk management is structured within your organisation:	*We have a distinctive approach to Risk Management as we organize these functions along two dimensions. First, risks are mapped by category such as investment, non-investment, operations and compliance, legal & regulatory risks. Second, risks are identified for hedge funds, portfolios of hedge funds, legal structures and operations. Clear parameters are set for each of the elements in the form of exposure reports, automatised controls and risk limits.* *Risks are dealt across various departments as it lies at the heart of our investment process. Our thorough due diligence process ensures that the highest standards of quality are met when selecting hedge funds. The application of our investment process is controlled by our legal & compliance unit. This unit is also responsible for checking the compliance of Optimal funds with their prospectus, investment philosophy and regulators. Investment risks are dealt by our dedicated quantitative analysis & investment risk management team. They focus their analysis on market risk, control of risk limits and analysis of the underlying hedge fund risk management organization. The third category or risk is operational risks at the level of hedge funds. As this is not a rewarding risk for our investors, our operational risk analysis analyze in details the business structure of each hedge fund in the portfolio, their legal setup, documentation, or counterparties. Finally, risks from Optimal operations are controlled so that we ensure that NAVs are calculated according to the highest standards, dealing is done in a timely manner and data organized in and adequate and secured way.* *Optimal Risk Committee is central in our risk management organization as it represents all the points mentioned in the above paragraph. Members are senior key and experienced professionals heading and representing Quantitative Research & Investment Risk, Operational Risk, Legal & Compliance and Operations teams. It is Chaired by Gilles Prince, our Chief Risk Officer.* *The primary objective of the risk committee is to enhance the process by which risks are identified, measured, controlled and managed. The creation of the risk committee aims at separating risk control from the investment committee activities, so that it can address investment management more effectively and more efficiently. The risk committee also has the secondary objective to raise the risk awareness of Optimal employees and strengthen the company risk culture.*
8.3	What risk management concepts does the company apply to its underlying managers/funds?	*The Optimal Fund of Funds (FoFs) are monitored on a regular basis against pre-set risk parameters and risk rules. Those parameters have been created by the investment committee and the risk committee in coordination with the Risk Monitoring Division of Santander Group. The policies form a part of Optimal's "Policies and Procedures". In addition, we report on set parameters for the purposes of risk monitoring at group level.* *<u>Investment guidelines:</u>* *The Optimal Fund of Funds (FoFs) are monitored on a regular basis against pre-set risk parameters and risk rules. Those parameters have been created by the investment committee and the risk team in coordination with the Risk Monitoring Unit of Santander Group.* *The risk rules include limits on market risks such as drawdowns or monthly losses, impose minimal levels of diversification by fund or manager, imposes limits on liquidity and deals with instruments that are prohibited for investments.* *Breaches are reported and addressed at the Risk Committee, presented at the*

		Investment Committee Meeting and reported to the Group's Risk Monitoring Division in Madrid. *<u>Qualitative risk analysis:</u>* *Three main risks are being analyzed: investment risk management and operational risk at the level of hedge funds. Operational risk covers, among others, the constituent documents of the fund, prospectus, contracts, agreements, counterparties, business organisation, reference checks, corporate actions, regulatory filings, NAV calculation process, pricing policies… The objective is to understand which liabilities may the fund have and may imply risks. The analysis of risk management specifically focus on how hedge funds have organised their risk management, how they measure risks, control them, and how they deal with market crises, losses and traders limits. These risk analyses are performed with detailed desk analysis, conference calls with managers, CFOs, COOs, CROs and on-site visits.* *<u>Quantitative risk analysis:</u>* *Hedge funds are analysed quantitatively by our dedicated team. State-of-the-art statistics are calculated so that we can assess if the hedge fund possesses the desired characteristics that we seek, like for example capital protection, participation in the upside performance of markets, low correlation, liquidity,… This analysis is completed by a complex statistical non-linear style analysis with our FOFIX tool. Risk profiles are calculated for each hedge fund in order to estimate the systematic factors influencing the returns of the fund. These are then compared with the qualitative analysis of our research analyst and deviation from expected risk profiles need to be explained. In addition to risk profiles, we perform stress tests on market variables (e.g. -20% equity index, +100bps yield curve,...) and historical crises scenarios (e.g. LTCM, 1987 crash,…) using the current fund risk profiles. Value-at-risk figures are also calculated for each hedge funds and funds of hedge funds using a Gaussian Monte Carlo engine.* *Regular reports are prepared on different types of risks, including:* • *The number of underlying funds in a portfolio* • *The size of each sub fund within the portfolio* • *Exposure to underlying investment managers across all Optimal portfolios* • *Nature of investments* • *Changes in liquidity profiles of the investments* • *Performance reports* *The fund administration team as well as the research team also support the risk and reporting functions.* *Potential breaches of the risk parameters would be immediately notified to the Chief Operating Officer and if appropriate to the Chief Executive Officer. Breaches would be reported and presented at the Investment Committee Meeting and reported to the Group's Risk Monitoring Division in Madrid. Resolution of issues is agreed between the Optimal and the Group's risk reporting functions.*
8.4	Does the company maintain a written risk management policy? If yes, provide a copy:	*The company maintains a policy and procedure manual, which includes risk management policies. This document is proprietary in nature and confidential.*
8.5	Does the company use any formal risk limits? Or informal risk guidelines? If so, please describe how they are used.	*The Company agrees risk control criteria on the portfolio with Santander Asset Management Central Risk Control unit based in Madrid.*

8.6	Are stop-loss policies used? If so, please describe:	*No stop-loss policies are used but drawdowns require to be flagged for review at investment committee meetings and for reporting to the Risk Control unit.*
8.7	Does the company maintain a risk management system including operational, legal, reputational and business risks? If so, please describe:	*The company operates a risk management system which includes risk control procedures, reporting and review of resolution of issues.*
8.8	Do the underlying hedge fund managers provide portfolio transparency? Please describe the extent, timeliness and frequency of this:	*Transparency varies from one manager to another. We review the information that will be provided to us to assess the acceptability of the information.*
8.9	Describe the company's quantitative risk management tools:	*Data is downloaded from our central database (Webfolio) or from Pertrac as needed for quantitative analysis. A proprietary function library has been developed in Excel to compute statistical reports. In addition, we use S-Plus to run more sophisticated analyses. Style analyses are made with Risk Data's Fofix software.* *However, there are some limitations to the use of quantitative tools as they are "backward looking". In addition, lock-ups may prevent implementation of risk control rules in certain instances.*
8.10	How are liquidity provisions monitored and controlled?	*Liquidity at the underlying fund level is monitored and controlled on a monthly basis by the risk committee, who maintains regular contact with the managers through the investment committee. Liquidity is also reviewed regularly by the COO and the risk teams.*
8.11	Has a manager included in one of the company's portfolios ever gone out of business ("blow ups") or suffered significant drawdown? If yes, please describe and explain what are the lessons learnt from that experience and how they have been applied to your business.	*In August 1998, we were invested with the III High Risk Opportunities Fund. This fund was partly invested in Russian debt. They had entered into a "Non Deliverable Forward" (Dollar/Rouble) as their hedge with two reputable financial institutions. As the Russian crisis unfolded, the two institutions refused to honour the NDFs and the fund collapsed. This issue is still being litigated. The collapse of the III High Risk Opportunities Fund cost the Optimal Arbitrage Fund a drawdown of 6% in August of that year. Our experience in these crises led us to implement changes that have resulted in more consistent performance with reduced volatility with a shift in emphasis to reduce exposure to emerging markets fixed income strategies.* *Optimal was an early investor in the Amaranth International Ltd. Fund, a multi-strategy fund. For five years Amaranth posted strong, risk-adjusted returns derived from a range of relative value strategies. In 2006 the fund increased its exposure to the natural gas futures and options markets which boosted performance. However it became apparent that the positions were concentrated and volatility increased to a level that was out-of-character with Amaranth's historical track record. Optimal responded immediately by meeting management and were assured that exposure would be cut to lock in profit. In September 2006 the natural gas market experienced a series of violent moves which went against them. It transpired that Amaranth had not in fact cut risk as they said they would, and the fund was unable to exit or hedge out its positions. The fund sustained a 35% loss; it suffered a further 35% as market liquidity dried up and they were forced to sell the Energy portfolio at a discount. This drawdown effectively put them out of business.* *This demonstrates that even managers who have historically demonstrated careful risk management over many years can suffer lapses of judgement. We also learned*

		that even when managers are personally invested and their incentives are apparently aligned with investors, they can behave irrationally. In the future we are more likely to take action to cut risk where we believe positions have become too concentrated rather than trusting management to take this action.

9 OPERATIONAL RISK

9.1	How does the company define operational risk?	*This is defined as being non investment business risk pertaining to the operations of a managers business.*
9.2	Does the company have an operational risk management framework? Does the framework consider how the company identifies, assesses, monitors and controls operational risks?	*Yes it does.*
9.3	Are the employees responsible for the operational risk framework adequately independent from the business and appropriately trained? (For example, does the company have a risk or internal audit function that is responsible for the framework?)	*Yes.*
9.4	Does the board of directors approve and regularly review the operational risk management framework?	*Yes.*
9.5	Who is responsible for implementing the operational risk framework? Are there clear lines of responsibility across senior management?	*These responsibilities are carried out by the Chief risk officer who reports directly to the CEO of the Company.*
9.6	How does the company ensure that employees understand their responsibilities for implementing the operational risk framework?	*This is done through the Operational Risk and Compliance teams.*
9.7	What on going assurance does the firm provide to clients over the effectiveness of its operational risk framework? If a SAS70 or FRAG 21 (being replaced by AAF 01/06) has been completed please list the key weaknesses identified in the last 5 years.	*The Company does not prepare SAS 70 or FRAG 21 reports, but is subject to regular review by the Santander Group Internal Audit and is also subject to the Group's Compliance policies and procedures and Risk Framework.*

10 OPERATIONAL RISK FOR OUTSOURCED FUNCTIONS

10.1	What due diligence process does the company perform prior to the appointment of an outsource service provider? Please specify if this process differs for different service providers e.g. custodian and	*Reviews of service providers are performed.*

	administrator.	
10.2	Are service level agreements in place between the company and its outsource service providers? If so, how does the company monitor services against the prescribed standards?	*These are the subject of regular reviews where these are in places.*
10.3	Does the company perform periodic reviews of the outsource service providers?	*Yes it does.*
10.4	What ongoing assurance does the firm perform over the effectiveness of the controls at outsourced service providers?	*The effectiveness of service providers is assessed against the delivery of services provided by them.*

11 ADMINISTRATION / OPERATIONS

11.1 ADMINISTRATION

11.1.1	How often is the NAV calculated/estimated?	*Final NAVs are published monthly and estimated NAVs (not reviewed by the Administrator) are calculated at mid-month and end of month.*
11.1.2	Is the fund administration performed in-house? If performed in-house: • What are the tasks of the fund administration? • Does an independent party review these calculations? • What systems are used for fund administration?	*The fund administration of the Optimal funds is performed independently by external service providers. However, for risk control purposes, we have an operational team that reconciles and reviews the work of the independent administrator in order to verify the work executed by these service providers.* *The role of the operational team is to conduct in parallel to our designated external administrators the calculation of monthly NAVs, shareholder registry control as well as all relevant information flow. Discrepancies are highlighted and reconciled.* *The funds' administrator is HSBC Securities Services (Ireland) Limited. The administrator also acts as custodian to the funds and has a regulatory responsibility to review the NAV calculations.*
11.1.3	Are the computer systems developed in-house or does the company use standard products?	*We use a fully integrated front/ middle / back office system with extensive specifications with the ability to conduct checks and balances and reconciliation tasks.* *The database which is an integral part of Optimal's systems has been developed by a specialist firm who support any required changes as the systems evolve.*
11.1.4	If services are outsourced: • Which tasks are fulfilled by external service providers (include names of companies)? • Detail the duration of the relationship: • Which services does your administrator provide (e.g. direct reporting to investors)?	*H/R payroll services for the Optimal group are managed by the Santander Group.* *The fund custody and administration is performed by HSBC Institutional Trust Services and by HSBC Securities Services (Ireland) Limited respectively. Both entities form part of the HSBC Group.* *The administrator has acted for the Optimal funds since 2002.* *A team of 7 administrators from the Optimal operational team who work on reviewing the data from the administrator by working in parallel in all tasks.* *The auditors are Deloitte and Touche for Optimal and Price Waterhouse Coopers for the Optimal funds.*
11.1.5	Please provide contact names, telephone and email for the following functions: • Financial Reporting • Valuations / Fund Accounting	*Financial and Analytical Control is performed internally. Optimal is audited by Deloitte & Touche and the funds are audited by PriceWaterhouseCoopers.*

11.2 SERVICE PROVIDERS

11.2.1	Provide a list of professional counterparts the company maintains a business relationship with: • Legal advisors: • Auditors: • Banks: • External marketers: • Other:	*Custodian:* *HSBC Institutional Trust Services (Ireland) Limited* *Administrator:* *HSBC Securities Services (Ireland) Limited* *Legal advisors:* *Lenz and Staehelin (Geneva)* *William Fry (Dublin)* *Simmons & Simmons (London)* *Lennox Paton (Bahamas)* *Conyers Dill & Pearman (Bermuda)* *Maples and Cadler (Cayman Islands)* *Auditors:* *PriceWaterhouseCoopers (Dublin)* *Deloitte & Touche (Geneva)* *Santander Group* *Bank:* *UBS S.A.* *Financial institutions:* *HSBC (Suisse) S.A.* *Santander Central Hispano* *Merrill Lynch Financial Products* *Commerzbank* *BNP Paribas* *Société Générale* *Fortis*
11.2.2	Do all the funds run by the Company have the same service providers? If not, why?	*Yes.* *Only one white label fund has a different service provider (which is in that case JP Morgan).*
11.2.3	Have there been any changes in service provider's (including administrators) to the FoHF in the last 5 year? If so, why?	*Yes. Prior to HSBC, we used Fortis Fund Services Bahamas as administrator and custodian. We terminated our relationship because of inefficient fund administration services and the time zone difference.*
11.3	**COMPLIANCE / REGULATION**	
11.3.1	Does the company have a full-time compliance officer?	*Yes.*
11.3.2	Describe how compliance is structured within your organisation:	*The Legal and Compliance Department is composed of three full time legal counsels. The head of the Legal and Compliance Department is also the Compliance Officer of the Company.*
11.3.3	Does a dedicated compliance team exist? Does the company maintain a written compliance manual? If yes, please provide details:	*Yes, we have a dedicated compliance team.* *Yes: OIS Directives on AML, Securities Markets Code of Conduct, Directives on Fund Distribution. In addition, Optimal is subject to the codes of conduct imposed by the Swiss Association of Assets Managers (Swiss Association of Assets Managers Code of Conduct), and by the Swiss Fund Association (Swiss Funds Association Code of Conduct).*
11.3.4	When was the manual last updated?	*2006.*
11.3.5	Is the company registered with any regulatory and/or supervisory bodies?	*Optimal is a member of a self-regulatory body, the Swiss Association of Asset Managers (SAAM) and the Swiss Fund Administration (SFA).* *Optimal is approved as investment manager by the regulatory authorities of Ireland and Luxembourg. Optimal is supervised by the Swiss Federal Banking Commission as Swiss Representative of a Foreign Fund.*

		We are currently seeking registration in Switzerland as asset manager.
11.3.6	Please specify the date of the most recent regulatory inspection, if any:	*2007*
11.3.7	Are there any lawsuits pending against the company?	*None.*
11.3.8	Is your company a member of AIMA or any other relevant trade association?	*The company is member of AIMA.*
11.4	**CONFLICT OF INTEREST**	
11.4.1	How does the company ensure an alignment of interests between the company as fund manager and the investor?	*Optimal has comprehensive bonus plans for its employees, which are built around multiple factors such as individual performance, quality of service towards clients, firm's growth and performance, all of which contribute to optimally align interests between the firm, its employees and our investors. In addition, all Optimal employees are subject to the Swiss Fund Association Code of Conduct, the General Code of Conduct, and the Code of Conduct in Securities Market of Santander Group.*
11.4.2	Are key people invested in the funds?	*Yes. Part of senior management's deferred compensation is invested in Optimal Multistrategy fund, which invests in all our range of funds (Fund of funds of funds").*
11.4.3	Are there any potential conflicts of interests the investor should be aware of?	*There is no conflict of interest that we are aware of.*

12 ANTI-MONEY LAUNDERING

12.1	Confirm that the company has established Anti-money Laundering (AML) procedures:	*Please refer to the attached document OIS AML Directives and Santander Group AML policies.*
12.2	Please advise which jurisdiction's regulations you comply with:	*Switzerland (member of GAFI). The funds are also subject to Irish Anti Money-Laundering laws.*
12.3	Please advise who your AML Officer is:	*For Optimal Investment Services, our Anti Money Laundering reporting Officer Jaime Calvo.* *For the Optimal fund, our Anti Money Laundering reporting Officer is HSBC Ireland Head of Compliance. Our head of compliance also reviews and monitors Optimal funds' compliance with Swiss regulations and Santander Group AML policies.*
12.4	Elaborate on the procedure to ensure compliance with AML policies:	*See OIS AML Directives and Santander Group AML policy. HSBC policy is confidential.*
12.5	Please provide a summary of your AML procedures.	*Please refer to the attached document OIS AML Directives.*

13 BUSINESS CONTINUITY/DISASTER RECOVERY

13.1	Does the company have a formal business continuity management plan? Please describe the basic provisions:	*There is a formal disaster recovery plan which forms part of Santander Group Business Recovery Plan. Please see attached document which summarises the key features of the plan.*
13.2	What contingency plans do you have in terms of: • Computer system fault? • Incapacitated investment decision makers? • Presence of in-house computer technician? • Back-up systems?	• *Computer system default: we have the same contingency plan as Santander Group, and we have a back-up system hosted by the group.* • *Incapacitated decision maker: senior analysts and product managers can take over the responsibility of key decision makers in case a problem arises.* • *The custodian to the Optimal funds has disaster recovery procedures.* • *We have a full-time IT technician.* • *Back-up system: back-up is performed daily. The back-up system is hosted by Santander Group.*

14	INSURANCE	
14.1	Do you currently hold insurance for the following: 1. Directors' & Officers' Liability? a) For the funds b) For the management companies 2. Professional Indemnity or Errors and Omissions? 3. Crime (Employee fidelity/third party fraud)? 4. Key Person Insurance? *N.B.: if you are not restricted from disclosing such information under your policy(ies)*	*This information is confidential.*
15	**PRODUCT INFORMATION** **(if necessary please complete one sheet for each of your fund products)**	
15.1	Provide a short description of your flagship products or most representative products, including: • Investment objective, return, risk: • Target investors: • Breakdown of current investor base: • Legal structure: • Domicile of Fund: • Currency share classes: • Asset allocation: • Number of funds in the portfolio: • Current size: • Date of inception: • Total standard fee structure: • Liquidity: • Conditions for Subscriptions and Redemptions: • Minimum investment: Please provide this information for each of your products. Alternatively, provide offering memoranda for your flagship products.	*Please refer to the attached Fund Booklet for detailed information on each of our product:* o *Optimal Arbitrage Ltd.* o *Optimal Strategic US Equity Ltd.* o *Optimal Global Trading (Ireland) Fund* o *Optimal European Opportunities (Ireland) Fund* o *Optimal US Opportunities (Ireland) Fund* o *Optimal Asian Opportunities (Ireland) Fund* o *Optimal Global Opportunities (Ireland) Fund* o *Optimal Structural Opportunities (Ireland) Fund* o *Optimal Latin America (Ireland) Fund* o *Optimal Elite Multimanager Fund Ltd.* o *Optimal Multistrategy Ireland Fund* o *Optimal North America Fund (long only)* o *Optimal Europe Fund (long only)* o *Optimal Renaissance Institutional Equities Feeder Fund* o *Optimal Renaissance Institutional Futures Feeder Fund* *The minimum subscription size varies between USD 50,000 and EUR 1,000,000/USD equivalent. However, for the managed account side of our business, a minimum of USD 20 million is required in the first year.*
15.2	Does the company specialise in any product or group of products? If so, please describe:	*Optimal is a specialist fund of hedge funds manager providing access to all the main hedge fund styles.*
15.3	List your other funds with	*We have listed all our funds.*

	their key characteristics (e.g. strategy)?	
15.4	Are there any independent fund directors? Please provide details:	*Independent directors of Optimal Bahamian funds (Optimal Multiadvisors Limited):* *Mr. Anthony L.M. InderRieden* *Mr. Brian Wilkinson* *Independent directors of Optimal Irish funds (Optimal Multiadvisors Ireland Plc):* *Mr. Frank Ennis* *Mr. Paul Saurel* *Mr. John Donohoe* *Independent directors of Optimal Irish funds (Optimal Multiselect (Ireland) Plc):* *Mr. Frank Ennis* *Mr. Paul Saurel* *Mr. John Donohoe* *Independent directors of Optimal Irish funds (Optimal Elite Multimanager Fund):* *Mr. John C.R. Collis* *Mr. Brian Wilkinson*
15.5	How often does the Board meet?	*At least four times a year.*
15.6	Please provide roles and responsibilities of the Directors.	*Their role is to ensure proper governance of the fund and exercise control over the different service providers.* *Mr. Frank Ennis and Mr. John Donohoe are also members of the Supervisory Committee of Optimal Multiselect Ireland Plc. The Board of Directors has delegated to the Supervisory Committee the responsibility for monitoring compliance by the Company of its regulatory and contractual obligations as regards investment management activities.* *The Supervisory Committee shall have the duty of reviewing compliance by the Investment Manager of its contractual obligations to the Company under the Investment Management Agreement, the Company's Memorandum and Articles of Association, and the Prospectus as regards to the management of the assets of the Funds.* *In particular, the Supervisory Committee shall meet on a regular basis to review the investment decisions taken by the Investment Manager.*

16	PERFORMANCE	
16.1	Provide historical performance for all your products (actual only) since inception net of standard fees (in electronic form) including: • Monthly returns: • Standard deviation (annualised): • Three largest drawdowns and recovery periods: • Percentage of positive / negative months:	*Please refer to the attached factsheets for more details.*

16.2	Has this track record been audited? By whom? When?	*Accounts are prepared annually in accordance with IFRS and are subject to an independent audit by Price Waterhouse Coopers.*
16.3	Is the company AIMR/GIPS compliant? If so, please provide a copy of the compliance presentation. Have these presentations been verified by a third party? Please provide a copy of the verification report.	*The standards imposed by this association are very similar to those imposed by the Swiss Fund Association and we are subject to the standards imposed by the Swiss Fund Association. The guidelines are set out in the two documents "Guidelines on the calculation and disclosure of TER" and "Guidelines on calculation and publication of fund performance data".*
17	**CLIENT INFORMATION/REPORTING**	
17.1	What is your client reporting policy? Address topics such as level of transparency, frequency and timeliness:	*Reporting can be tailored to a clients specific requirements and typically reporting is provided on a monthly basis.*
17.2	What is the normal method of communication with your clients:	*Relationship with our clients is maintained through regular reporting and contact (via telephone, fax and email) to ensure that our clients' requirements are being met.*
17.3	Provide sample reports that are sent to investors.	*Please see the attached documents.* *We typically provide to clients 3 types of standardized reports:* • *Quantitative information on a monthly factsheet for each fund with a one page qualitative commentary of each Optimal strategy* • *Quarterly analysis of fund performance* • *Monthly peer group analysis*
17.4	Can investors receive customised reports?	*Yes.*
17.5	Are audited reports available to the investor? Please provide sample.	*Yes, see attached document.*
17.6	How often will you review a portfolio with a client?	*This will depend on clients' requirements but is typically quarterly.*
17.7	Do you provide formal client training?	*Yes, we can provide specific training to meet clients' requirements.*
18	**TAXATION**	
18.1	On what basis does the fund maintain that it is managed and controlled, and therefore tax resident, outside the UK?	*Legal advice was taken on the structure and setting of the funds which in addition is reviewed by our own in-house counsel and by the auditors to the entities.*
18.2	How has the company satisfied itself that the conditions on the Investment Manager Exemption have been met or that it is not the Permanent Establishment of the fund?	*Based on legal advice where applicable.*

Please attach your most recent disclosure document, information memorandum, and marketing literature.

In the event of amendments to the aforementioned documents, notably the memorandum, please ensure that we will receive those directly from you within reasonable time, as well as copies of proxies and notification of the Annual General Meeting (the latter only for information purposes).

Please state the name and title of the officer at your company who has prepared and reviewed this questionnaire.

Name:	*Prepared by Amélie Fontvieille, reviewed by Toby Gauvain*
Date:	*April 30th, 2008*
Position:	*Business Development /Head of Global Business Development*